Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 13-52]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 13-52 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 13, 2013.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

DEC 05 2013

The Honorable John A. Boehner Speaker of the House U.S. House of Representatives Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 13-52, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Saudi Arabia for defense articles and services estimated to cost \$170 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

J. W. Rixey Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 13-52

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) (1) of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Kingdom of Saudi Arabia
 - (ii) Total Estimated Value:

 $\begin{array}{lll} \text{Major Defense Equipment} & \$ \ 170 \ \text{million} \\ \text{Other} & \$ \ 0 \ \text{million} \\ \text{TOTAL} & \$ \ 170 \ \text{million} \\ \end{array}$

- (iii) Description and Quantity or Quantities of Articles or Services under

 Consideration for Purchase: 750 BGM-71 2B Tube-launched, Opticallytracked Wire-guided (TOW) missiles, 7 Fly-to-Buy TOW2B missiles, 1,000
 BGM-71 2A TOW missiles, 7 Fly-to-Buy TOW2A missiles, containers,
 spare and repair parts, support equipment, tools and test equipment,
 publications and technical documentation, personnel training and training
 equipment, U.S. Government and contractor engineering, logistics, and
 technical support services, and other related elements of logistics and
 - (iv) <u>Military Department</u>: Army (VTE)

program support.

- (v) Prior Related Cases, if any: FMS Case VAT- \$13.6M - 8 Nov 09
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold</u>: See Attached Annex.
- (viii) Date Report Delivered to Congress: 5 December 2013
- * as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Kingdom of Saudi Arabia - Tube-Launched, Optically-Tracked Wire-Guided Missiles

The Kingdom of Saudi Arabia has requested the possible sale of 750 BGM-71 2B Tube-launched, Optically-tracked Wire-guided (TOW) missiles, 7 Fly-to-Buy TOW2B missiles, 1,000 BGM-71 2A TOW missiles, 7 Fly-to-Buy TOW2A missiles, containers, spare and repair parts, support equipment, tools and test equipment, publications and technical documentation, personnel training and training equipment, U.S Government and contractor engineering, logistics, and technical support services, and other related elements of logistics and program support. The estimated cost is \$170 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a critical partner who has been, and continues to be, an important force for political stability in the Middle East.

The proposed sale will support the Royal Saudi Land Forces' (RSLF) defense and counter-terrorism missions, contribute to stability in the Kingdom and the region, and increase Saudi Arabia's overall deterrence capability. It will also enhance the RSLF's compatibility with U.S. forces and demonstrate the U.S.'s continued commitment to the RSLF's modernization efforts.

The proposed sale will not alter the basic military balance in the region.

Implementation of this proposed sale will not require additional U.S. Government or contractor representatives in the Kingdom of Saudi Arabia.

The principal contractor will be Raytheon Missile Systems, Tucson, Arizona. There are no known offset agreements proposed in connection with the potential sale.

There will be no adverse impact on U.S. defense readiness as a result of this proposed case.

Transmittal No. 13-52

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) (1) of the Arms Export Control Act, as amended

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. The TOW 2B is a fly-over, shoot-down version with the actual missile flight path offset above the gunner's aim point. The TOW 2B flies over the target and uses a laser profilometer and magnetic sensor to detect and fire two downward-directed, explosively formed, penetrator warheads into the target. The TOW 2B has a range of 200 to 3750m. A Radio Frequency (RF) Data link replaced the traditional TOW wire guidance link in all new production variants of the TOW beginning in FY 07. No RF TOW AERO technical data will be released during program development without prior approval from the Office of the Deputy Assistant Secretary of the Army for Defense Exports and Cooperation. The hardware for the TOW 2B is Unclassified. Software for performance data, lethality penetration and sensors are classified Secret.
- 2. The Radio-Frequency (RF) TOW 2A is a direct attack missile designed to defeat armored vehicles, reinforced urban structures, field fortifications and other such targets. The TOW 2A RF missile can be launched from the same launcher platforms as the existing wire-guided TOW 2A missile without modification to the launcher. The TOW 2A missile (both wire and RF) contains two tracker beacons (xenon and thermal) for the launcher to track and guide the missile in flight. Guidance commands from the launcher are provided to the missile by an RF link contained within the missile case. The hardware, software, and technical publications provided with the sale thereof are Unclassified. However, the system itself contains sensitive technology that instructs the system on how to operate in the presence of countermeasures. The highest level of classified information that can be disclosed by sale, testing or reverse engineering is Secret.
- 3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar capabilities.
- 4. A determination has been made that the recipient country can provide substantially

the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 2013-30118 Filed 12/18/2013 at 8:45 am; Publication Date: 12/19/2013]